

**HOUSING AUTHORITY OF  
THE CITY OF GREENVILLE**

**FINANCIAL STATEMENTS  
AND  
REPORTS OF INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR YEAR ENDED DECEMBER 31, 2020**

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
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**FOR THE YEAR ENDED DECEMBER 31, 2020**

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### ***Independent Auditor's Report***

Board of Commissioners

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component unit of The Housing Authority of the City of Greenville, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise The Housing Authority of the City of Greenville's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component unit of The Housing Authority of the City of Greenville as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Housing Authority of the City of Greenville's basic financial statements. The Financial Data Schedule, required by Uniform Financial Reporting Standards issued by the U.S. Department of Housing and Urban Development and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Financial Data Schedule, and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Data Schedule and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated August 18, 2021 on our consideration of The Housing Authority of the City of Greenville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Housing Authority of the City of Greenville's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Maletta & Company", with a stylized flourish at the end.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
August 18, 2021

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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The Housing Authority of the City of Greenville's ("the Authority") Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, (c) identify changes in the Authority's financial position (its ability to address the next and subsequent year challenges), and (d) identify individual program issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Authority's financial statements. This MD&A covers only the Primary Government and does not analyze the financial position or current year's activity of the Discretely Presented Component Units. Separate audit reports have been issued on the financial statements of the Discretely Presented Component Units. The audited financial statements of the Discretely Presented Component Units have been included in the financial statements of the Authority. Please review it in conjunction with the Authority's basic financial statements, which begin on page 6.

### **FINANCIAL HIGHLIGHTS**

- The Authority and its development team completed construction of the Preserve at Logan Park. Logan Park consists of 193 units of low-income housing with a total construction cost of approximately \$28 million, including \$7,702,364 in financial assistance provided by the Authority in the form of Long-term note agreements. The operations of Logan Park are now reported as a discretely presented component unit in the Authority's financial statements.
- The Authority completed the purchase of Valley Creek from the property's investor member. The property also underwent a HUD refinance which enabled repayment of a significant portion of the funds due the Authority as well as provide funding for certain repairs. The operations of Valley Creek are now included in the Authority's financial statements as a blended component unit.
- The Authority's basic financial statements reflect a current ratio, adjusted to remove restricted elements, of 20:1 in the current year which is constant with prior results. Current ratio measures an entity's liquidity and is computed by dividing current assets by current liabilities. A ratio of greater than one generally signifies financial stability as assets are available to pay liabilities. Expectations are for this ratio to dip slightly as the Authority continues investing accumulated resources into development projects.
- The Authority's Change in Net Position increased \$3,092,814. This surplus is higher than typical due to receipt of CARES Act funds for COVID totaling \$1,841,904. Irrespective of the increased surplus, the Authority had a positive year continuing its trend of accumulating resources to meet its goals.
- The Authority's Unrestricted Net Position totaled \$23,084,473. In addition, the spendable Unrestricted Net Position as derived by adjusting out noncurrent assets of \$15,613,195 was \$7,471,278 as of December 31, 2020, an increase from \$2,961,897 from the prior year. The adjusted Unrestricted Net Position equates to approximately 20 months of operating expenses, signifying financial strength.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows (on pages 6-9) provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. Financial information by program is included in the HUD Financial Data Schedule this information tells how these services were financed in the short term as well as what remains for future spending. Program financial information also reports the Authority's operations in more detail than the government-wide statements by providing information about the Authority's most financially significant programs.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**The Statements of Net Position and Revenues, Expenses and Changes in Net Position**

The Statements provide information about the Authority as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting that is used by most private sector companies. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in them. The difference between assets and liabilities or net position is one way to measure the Authority's financial health. Over time, increases or decreases in the net position are one indicator of whether its financial position is improving or deteriorating.

The higher the net position figure is, generally, the better the financial position. However, this information does not reflect ongoing fluctuations in the economic climate, regulatory changes, or other external forces that impact an entity's financial position, but which may not be quantifiable as of the financial statement date.

The Authority's total net position was \$43,930,301 as of December 31, 2020.

**Table 1  
Statement of Net Position (in Thousands)**

	2020	2019	Change
Cash & Investments	\$ 10,775	\$ 7,793	\$ 2,982
Other Current Assets	355	369	(14)
Noncurrent Assets and Deferred Outflows	36,288	36,367	(79)
Total Assets and Deferred Outflows	47,418	44,529	2,889
Current Liabilities	695	594	101
Noncurrent Liabilities	2,793	3,005	(212)
Total Liabilities	3,488	3,599	(111)
Invested in Capital Assets	17,897	18,154	(257)
Restricted	2,949	2,804	145
Unrestricted	23,084	19,972	3,112
Total Net Position	<u>\$ 43,930</u>	<u>\$ 40,930</u>	<u>\$ 3,000</u>

The increase in Cash & Investments of \$2,982 thousand closely aligns to operating surplus adjusted for depreciation as noted in the Increase to Unrestricted Net Position above of \$3,112. Specific factors for this increase are discussed in more detail on Table 2.

The decrease in Noncurrent Liabilities of (\$212) thousand relates to refinance of the Valley Creek mortgage and the retirement of the Note due to the Authority, some of which was forgiven upon retirement.

All other changes represent normal fluctuations in the operating cycle.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

Table 2 compares the 2020 Change in Net Position to the 2019 Change in Net Position.

**Table 2  
Changes in Net Position (in Thousands)**

	2020	2019	Change
Revenues			
Government Grants	\$ 28,048	\$ 24,213	\$ 3,835
Rental Income	590	774	(184)
General Revenue	1,103	947	156
Total Revenue	29,741	25,934	3,807
Expenses			
Administrative & Tenant Services	2,724	2,587	137
Maintenance	549	641	(92)
Utilities	92	60	32
General	1,213	1,058	155
Housing Assistance Payments	21,180	20,112	1,068
Depreciation	983	1,007	(24)
Total Expenses	26,741	25,465	1,276
Change in Net Position	<u>\$ 3,000</u>	<u>\$ 469</u>	<u>\$ 2,531</u>

The increase in Government Grants of \$3,835 thousand is primarily due to receipt of CARES Act funding from HUD as provided in response to COVID-19 and receipt of three funding years of HUD Capital grants for use in connection with the purchase and refinance of Valley Creek. In addition, HCV program funding increased in relation to the \$1,068 thousand increase in Housing Assistance Payments required as further noted below.

Housing Assistance Payments increased \$1,068 thousand due primarily to increased HAP requirements as related to tenant income circumstances related to COVID-19 and increases in units served at the Housing Choice Voucher program as a result of leasing activity for Logan and implementation of the HCV Mainstream program. COVID related increases were funded by CARES Act funding from HUD, as noted above. The Authority expects HAP to increase further next year with full year reporting of Mainstream and the Preserve at Logan Park units.

The increase in Administrative and Tenant Services of \$137 thousand and General of \$155 thousand relates to COVID related expenses incurred totaling \$258,975 to respond to the pandemic including PPE, sanitizer and related funds passed through to related properties to help keep staff safe.

All other expense changes represent normal fluctuations in the operating cycle.

The Financial Data Schedule beginning on page 21 presents a more detailed picture of the activity and balances of the various programs. The reasons for significant changes have been identified above.



**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of December 31, 2020, the Authority has \$20,674,656 invested in a broad range of capital assets, including land, buildings, furniture, and equipment as follows:

**Table 3  
Capital Assets**

<b>Primary Government</b>	<b>Beginning</b>	<b>Additions</b>	<b>Dispositions</b>	<b>Ending</b>
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ -	\$ -	\$ 5,497,372
Construction in Progress	-	529,463	-	529,463
Depreciable Assets:				
Buildings & Improvements	26,942,691	-	-	26,942,691
Leasehold Improvements	579,532	-	-	579,532
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	-	-	358,834
Total	36,530,171	529,463	-	37,059,634
Less: Accumulated Depreciation	(15,401,621)	(983,357)	-	(16,384,978)
Net Book Value	<u>\$ 21,128,550</u>			<u>\$ 20,674,656</u>

The Authority now includes Valley Creek capital assets, including current renovation activity in progress. In addition, activity includes renovation work on two other scattered site units that is scheduled to be completed in 2021.

**Long-Term Debt**

The Authority continues to operate with little long-term debt. The sole source of long-term debt is the new HUD insured mortgage on the Valley Creek property totaling \$2,725,489. All other debt of the reporting entity rests with the discretely presented component units and collateralized against the underlying properties.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

Significant economic factors affecting the Authority are as follows:

- The impact of COVID on program procedures, costs to maintain safety and its effect on the housing market.
- CARES Act funding and its effect on compliance reporting.
- Federal funding provided by Congress to the Department of Housing and Urban Development
- Staff restructuring following multiple senior positions vacated as well as changes in the organizational structure and needs.
- Local labor supply and demand, which can affect salary and wage rates.
- Local inflationary rates and employment are trending up which affect residents' income and therefore, rental income to the Authority.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Authority's Executive Director at The Housing Authority of the City of Greenville, at 122 Edinburg Court, Greenville, SC, 29607.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**STATEMENT OF NET POSITION**  
**AS OF DECEMBER 31, 2020**

	<u>Primary Government</u>	<u>Discretely Presented Component Unit</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents - Unrestricted	7,522,537	278,039
Cash and Cash Equivalents - Restricted	3,252,276	3,479,146
Accounts Receivable		
Tenants, net of Allowances	36,809	18,317
Other	180,946	16,977
Prepaid Expenses	137,480	41,091
Total Current Assets	<u>11,130,048</u>	<u>3,833,570</u>
<b>Noncurrent Assets</b>		
Capital Assets, Net of A/D		
Nondepreciable	6,026,835	886,281
Depreciable	14,647,821	30,257,297
Notes Receivable, net of Allowances	15,338,945	-
Equity Interest in Component Units	126,974	-
Other Noncurrent Assets	147,276	59,125
Total Noncurrent Assets	<u>36,287,851</u>	<u>31,202,703</u>
<b>Total Assets</b>	<u>47,417,899</u>	<u>35,036,273</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Total Deferred Outflows of Resources</b>	-	-
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accounts Payable - Vendors and Contractors	194,812	646,873
Accounts Payable - Other	-	1,466,633
Accrued Wages and Related Payables	-	-
Accrued Compensated Absences	5,831	9,859
Accrued Interest	5,650	47,182
Accrued Liabilities - Other	9,000	76,932
Security Deposits and FSS Escrows	302,869	50,617
Current Portion of Mortgages Payable	52,653	4,547,002
Unearned Revenue	124,242	60,502
Total Current Liabilities	<u>695,057</u>	<u>6,905,600</u>
<b>Noncurrent Liabilities</b>		
Long-Term Debt	2,725,489	19,608,091
Notes Payable	-	7,702,364
Accrued Compensated Absences	67,052	-
Other Noncurrent Liabilities	-	109,037
Total Noncurrent Liabilities	<u>2,792,541</u>	<u>27,419,492</u>
<b>Total Liabilities</b>	<u>3,487,598</u>	<u>34,325,092</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
<b>Total Deferred Inflows of Resources</b>	-	-
<b>NET POSITION</b>		
Net Investment in Capital Assets	17,896,514	(376,752)
Restricted for:		
Modernization and Development	2,403,649	3,398,874
Housing Assistance Payments	512,570	-
Other	33,188	30,155
Unrestricted	23,084,380	(2,341,096)
<b>Total Net Position</b>	<u>\$ 43,930,301</u>	<u>\$ 711,181</u>

*The accompanying notes are an integral  
part of the financial statements.*

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Primary Government</b>	<b>Discretely Presented Component Unit</b>
<b>Operating Revenue</b>		
Rental Revenue	\$ 590,099	\$ 540,584
HUD Operating Grants	27,576,499	-
Fees for Other Services	276,184	-
Other Government Grants	471,507	904,375
Other Revenue	82,625	3,624
Total Operating Revenue	<u>28,996,914</u>	<u>1,448,583</u>
<b>Operating Expenses</b>		
Administrative & Tenant Services	2,723,690	437,127
Utilities	92,474	152,216
Ordinary Maintenance & Protective Services	548,512	296,936
Insurance Premiums	168,205	56,327
General	912,531	65,886
Housing Assistance Payments	21,180,347	-
Depreciation	983,357	630,121
Total Operating Expenses	<u>26,609,116</u>	<u>1,638,613</u>
<b>Operating Income (Loss)</b>	2,387,798	(190,030)
<b>Nonoperating Revenues (Expenses)</b>		
Nonroutine Maintenance and Replacement	(32,760)	(28,208)
Investment Income	226,460	268
Interest Expense	(99,271)	(737,161)
Gain (Loss) from Sale of Assets	358,501	-
Total Nonoperating Revenues (Expenses)	<u>452,930</u>	<u>(765,101)</u>
<b>Income (Loss) before Capital Contributions</b>	2,840,728	(955,131)
Capital Contributions	-	5,702,818
Special Item - Combination / Acquisition	252,086	(92,094)
<b>Change in Net Position</b>	3,092,814	4,655,593
<b>Net Position, Beginning of Period</b>	<u>40,837,487</u>	<u>(3,944,412)</u>
<b>Net Position, End of Period</b>	<u>\$ 43,930,301</u>	<u>\$ 711,181</u>

*The accompanying notes are an integral  
part of the financial statements.*

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<b>Primary Government</b>
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Operations	\$ 1,330,157
HUD Operating Grants	27,656,218
Payments to Landlords	(21,180,347)
Payments to Vendors	(2,952,769)
Payments to Employees	(1,515,903)
Other Receipts (Payments)	100,367
Net Cash Provided by (Used in) Operating Activities	3,437,723
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Purchases of Capital Assets	(529,463)
Proceeds from Sale of Capital Assets	358,501
Principal Payments on Debt	(196,900)
Interest Payments on Debt	(99,271)
Net Cash Provided by (Used in) Capital Related Financing Activities	(467,133)
<b>Cash Flows from Investing Activities:</b>	
Net Issuance of Notes Receivable	(876,768)
Investment in Affiliate	641,980
Net Investment Income (Loss)	246,285
Net Cash Provided by (Used in) Investing Activities	11,497
<b>Net Increase (Decrease) in Cash</b>	2,982,087
<b>Cash at the Beginning of the Period</b>	7,792,726
<b>Cash at the End of the Period</b>	<u>\$ 10,774,813</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>	
Operating Income (Loss)	\$ 2,387,798
Adjustments to Reconcile Change in Net Cash Provided by Operating Activities:	
Depreciation Expense	983,357
Nonroutine Maintenance	(32,760)
Change in Operating Assets and Liabilities:	
Decrease (Increase) in Receivables	65,979
Decrease (Increase) in Inventory	-
Decrease (Increase) in Prepaid Expenses	(52,238)
Increase (Decrease) in Accounts Payable	80,954
Increase (Decrease) in Other Liabilities	4,633
Net Cash Provided by (Used in) Operating Activities	<u>\$ 3,437,723</u>

*The accompanying notes are an integral  
part of the financial statements.*

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of The Housing Authority of the City of Greenville (“the Authority”) is presented to assist in understanding the Authority’s financial statements. The financial statements and notes are representations of the Authority’s management, who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Reporting Entity**

The Authority was created in 1938 under the laws of the State of South Carolina for the purpose of providing adequate housing for qualified low-income individuals. These programs are subsidized by the federal government through the U.S. Department of Housing and Urban Development (HUD), for financial assistance for low-income public housing pursuant to the United States Housing Act of 1937, as amended. As such, the Authority has entered into annual contribution contracts with the U.S. Department of Housing and Urban Development (“HUD”) to be the administrator of the housing and housing related programs described herein. The Authority is not subject to Federal or State income taxes and is not required to file Federal or State income tax returns.

The Authority’s combined financial statements include the accounts of all the Authority’s operations. The criteria for including organizations as component units within the reporting entity, as set forth in The Governmental Accounting Standards Board (GASB)’s Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Authority holds the corporate powers of the organization
- the Authority appoints a voting majority of the organization’s board
- the Authority is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Authority
- there is fiscal dependency by the organization on the Authority

**Blended Component Units**

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority’s Board of Commissioners or the component unit provides services entirely to the Authority. These component units’ funds are blended into those of the Authority’s by appropriate activity type to compose the primary government presentation.

Currently, the Authority has one component unit that meet the criteria for blending.

Greenville Redevelopment Corporation (GRDC/the Corporation) was incorporated by the Authority as a not-for-profit corporation under the laws of the State of South Carolina for the purpose of facilitating residential development for the benefit of low-income individual in the Greenville community. The Directors of GRDC are the same individuals who serve on the Board of Commissioners of the Authority. Currently, the blended component unit’s significant activities include the operation of three former HUD public housing projects that have undergone conversion under HUD’s Rental Assistance Demonstration (RAD) initiative, known as GAH Scattered Sites, GAH Arcadia Hills, and GAH Ridgeway. In addition, GRDC operates a former tax credit property known as GAH Valley Creek and holds various levels of ownership and control of multiple Low-Income Housing Tax Credit partnerships through ownership of 10 single member subsidiaries named GRDC I – X, LLC. The component units’ financial position and current year activity is reported with the Corporation’s financial balances and activity in the accompanying schedules in the ‘Blended Component Unit’ column.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Discretely Presented Component Units**

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending.

The Authority controls the general partners of certain Low-Income Housing Tax Credit (LIHTC) partnerships. The partnerships' interests are held by third parties unrelated to the Authority. As the general partner (or majority interest owner of general partner), the Authority has certain rights and responsibilities which enable it to impose its will on the limited partnerships. Additionally, the Authority has a financial benefit and burden relationship as the Authority has assumed the obligation to provide financial support to the organizations and has imposed its will over the entities. The partnership does not serve the primary government exclusively, or almost exclusively, and therefore, is shown as a discretely presented component unit.

Currently, the Authority has three component units that meets the criteria for discrete presentation.

335 Greenacre Road, LP (Charleston Place), is a limited partnership, formed to acquire, construct, own, finance, and operate a 40-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

50 Ramsey Court, LP (Forestview), is a limited partnership, formed to acquire, construct, own, finance, and operate a 72-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

80 Thruston Street, LLC (Preserve at Logan Park) is a limited liability company, formed to acquire, construct, own, finance, lease and operate a 193-unit rental property that qualifies for low-income housing tax credits under §42 of the Internal Revenue Code.

Complete financial statements of the discretely presented component unit may be obtained at the Authority's administrative office: the Housing Authority of the City of Greenville, 122 Edinberg Court, Greenville, SC 29607.

**Payments between the Authority and Component Units**

Certain transactions that are subject to regulatory oversight are reporting as external transactions (revenues and expenses) and eliminated during consolidation. Of which, balances and/or transactions between the blended component unit and the primary government provided during 2020 were: rental subsidies provided through the HAP contract and fees for services charged to the component unit, of which \$833,297 and \$241,109, which were eliminated during consolidation, respectively. Resource flows between the primary government and the discretely presented component unit are reported as external transactions (revenues and expenses). Transactions during 2020 consist of development service fees, interest earned on notes receivable, rental subsidies and fees for services totaling \$75,000, \$444,915 \$499,094 and \$57,964, respectively.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses used during the reporting period. Actual results could differ from those estimates. Significant estimates include the economic lives of capital assets.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements.

The Authority's funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation are included on the Statement of Net Position.

Operating Revenue includes rental income, operating grants, management services income and all other revenue relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities. Operating expenses include wages, housing assistance payments, utilities, maintenance, depreciation, and all other expenses relating to the provision of safe, decent, and affordable housing that do not result from transactions defined as capital and related financing, non-capital and related financing, or investing activities.

In addition, the Authority receives capital grants from HUD to be used for various purposes connected with the planning, modernization, and expansion of housing facilities and equipment. Receipts used for non-capitalizable costs are reported as operating revenue and receipts used for capitalization costs are reported as capital contributions.

The financial statements of the Authority are prepared in accordance with U.S. generally accepted accounting principles (GAAP). GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The financial statements include:

1. Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all the Authority's activities.

The Authority has elected to report as a single enterprise proprietary fund and its primary operations comprise of several housing and grant programs as follows:

- The ***Housing Choice Voucher Program*** provides rental housing assistance in support of 3,079 housing units, of which 907 are dedicated to Project Based Vouchers (PBV). The Authority is also allocated additional vouchers related to the VASH subprogram. The Authority was awarded 26 Mainstream vouchers for the non-elderly disabled population. The purpose of the program is to provide decent and affordable housing to low-income families and elderly and handicapped persons wherein rental assistance is provided by HUD. The associated units (other than PBV units) are owned, maintained, and managed by private landlords.
- ***Business Activities*** was established to account for ongoing and future activities currently consisting of the redevelopment of its public housing stock under HUD RAD. As such, it accounts for fees generated related to development. In addition, it accounts for the management of properties that have already undergone RAD conversions.



**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

- The **Public Housing Program** operates under HUD's Annual Contribution Contract and consists of the operations of low rent public housing properties totaling 155 units. The purpose of the program is to provide decent and affordable housing to low-income families at reduced rents. The properties are owned by the Authority and managed by a private management company. Funding of the program is provided by federal annual contributions, operating subsidies, and tenant rentals (determined as a percentage of family income, adjusted for family composition). All units have received reservations under HUD's Rental Demonstration Program (RAD) whereby the units will be removed from the Public Housing Program and released from the ACC under a RAD PBV contract, estimated to be completed in 2021.
- The **Capital Fund Program** accounts for the capital and management improvement activities, primarily for the modernization and development of low-rent public housing units.
- The **Resident Opportunities and Support Services (ROSS) and Family Self Sufficiency (FSS) Programs** provide public housing residents with resident supportive services, resident empowerment activities and provides Housing Choice Voucher participants assistance in becoming economically self-sufficient

**Cash and Cash Equivalents**

Cash and cash equivalents represent cash in checking accounts, demand deposits or short-term investments with original maturities of three months or less.

**Accounts and Notes Receivable**

Management periodically assesses the collectability of its receivables and establishes an allowance for uncollectible accounts for all accounts it deems uncollectible. Currently, the allowance established for tenant, fraud and notes receivable is \$200, \$0- and \$21,772,274, respectively. The allowance for Notes receivable is based on the underlying value of the property and included interest earned on the related notes.

**Capital Assets**

Land, buildings, and equipment are stated at cost and depreciated over their estimated useful lives. The capitalization threshold is \$5,000. Donated assets are recorded at estimated market value as of the date of the donation. Construction in progress costs are not depreciated until the corresponding projects are completed. Depreciation has been provided over the following useful lives using the straight-line method of depreciation as follows:

Building and Improvements	10 to 30 years
Machinery and Equipment	5 to 10 years

**Leases**

The Authority leases substantially all its building and dwelling equipment to tenants for a period of one year, cancellable upon sufficient notice. As of December 31, 2020, the total cost of leased property was \$26,543,114 with accumulated depreciation of \$14,793,838, for a carrying value of \$11,749,276. In addition, the Authority leases parcels of land with a carrying value of \$550,176. Land lease revenue over the next five years is \$1,813 per year.

**Compensated Absences**

Employees accumulate universal leave for subsequent use or payment upon termination. Compensated absences are accrued when incurred and reported as a liability until paid.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Deferred Outflows and Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense in future periods. Deferred inflows of resources represent an acquisition of net position of fund balance that applies to future periods and will be recognized as revenue, or a reduction in expense, in future periods.

**Use of Restricted Funds**

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**Equity Classifications**

Equity is classified as net position and displayed in three components in the Statement of Net Position.

**Net Investment in Capital Assets** consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Authority has no related debt.

**Restricted** consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations or other governments; or (2) law through constitutional provisions or enabling legislation. The Authority's restricted net position consists of disposition proceeds held in escrow for use in future modernization projects as required by HUD, committed resources for development projects and unspent Housing Assistance Payments restricted from use by HUD.

**Unrestricted** consists of all other net position that does not meet the definition of Restricted or Net Investment in Capital Assets.

**NOTE 2 – SPECIAL ITEM**

**Valley Creek Associates LP (Non-Government Acquisition)**

Effective for the current reporting period, the Authority purchased the remaining ownership interest in the capital and income or loss of the Valley Creek property. Due to full ownership, the property is now reported as a Blended Component Unit of the Primary Government, which was previously reported as a Discretely Presented Component Unit of the Authority. As a result, transactions between Valley Creek and the Authority are now treated as BCU activities and eliminated accordingly. The Special item represents Valley Creek's Net Position as of the prior reporting period of \$92,094, \$669,992 in net retirement of long-term obligations and retirement in the Authority's original investment in the property of (\$510,000) for a total net Special item of \$252,086.

**NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**Deposits**

The Authority maintains cash with FDIC depository banks. At times, these balances may exceed the Federal insurance limits; however, the Authority has not experienced any losses with respect to its bank balances in excess of government provided insurance. In addition, uninsured balances are fully collateralized through agreements with the financial institution. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of December 31, 2020.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 3 – DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONT'D)**

The breakdown of restricted deposits reported as of December 31, 2020 is as follows:

<b>Restrictions on Deposits</b>	<b>Primary Government</b>	<b>Discretely Presented Component Unit</b>
Restricted Cash - Modernization & Development	\$ 2,403,649	\$ 3,398,874
Restricted Cash - Housing Assistance Payments	512,570	-
Restricted Cash - FSS Escrows	221,633	-
Restricted Cash - Operating Reserves	-	8,291
Restricted Cash - Taxes & Insurance	14,906	21,864
Restricted Cash - Other	18,282	-
Restricted Cash - Security Deposits	81,236	50,117
Total	<u>\$ 3,252,276</u>	<u>\$ 3,479,146</u>

**NOTE 4 – ACCOUNTS RECEIVABLE – OTHER**

Accounts receivable – Other represents all receivables other than tenant receivables as follows:

	<b>Amount</b>	<b>Program</b>
Accounts Receivable - HUD	\$ 72,735	Housing Choice Voucher / FSS
Accounts Receivable - Port-in	39,244	Housing Choice Voucher / FSS
Accounts Receivable - Partnership Mgmt Fees	60,000	GRDC (BCU)
Accounts Receivable - Preserve at Logan	8,967	Business Activities
Total	<u>\$ 180,946</u>	

**NOTE 5 – OTHER NONCURRENT ASSETS**

The Authority invests in current and future mixed finance projects primarily through funding development in the form of notes receivable from the related development. Notes receivable are recorded upon completion and are long-term in nature. Notes include certain funding provided to the Discretely Presented Component Unit, reported, and included as noncurrent liabilities in Note 7; all other balances are as follows:

**Evergreen Place Loan**

Funding provided to construct Evergreen totaling \$8,332,111. The loan consists of \$8,036,645 funded through the HOPE VI program and \$295,465 funded by the Authority's program income. The projects are owned and operated by Three Hundred Nichol Street, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a simple rate of 3.00% per year and matures on December 1, 2051. As of December 31, 2020, accrued interest totaled \$3,205,687. No surplus cash was available for payment.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 5 – OTHER NONCURRENT ASSETS (CONT'D)**

**Nicholtown Loan**

Funding provided to construct Nicholtown totaling \$2,156,522. The loan consists of \$1,679,062 funded through the HOPE VI program and \$477,460 funded by the Authority's program income. The project is owned and operated by Nichol Town Green, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 4.72% per year and matures on December 1, 2052. As of December 31, 2020, accrued interest totaled \$1,676,490. No surplus cash was available for payment.

**Clark Ridge Loan**

Funding provided to construct Clark Ridge totaling \$1,759,302. The loan consists of \$313,218 funded through the HOPE VI program, \$801,463 funded by the Authority's RHF funds and \$644,621 funded by the Authority's program income. The project is owned and operated by Clark Street, LP, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a rate of 5.00% per year and matures on April 15, 2053. As of December 31, 2020, accrued interest totaled \$1,290,833 and outstanding principal totaled \$1,627,194. No surplus cash was available for payment.

**Harbor/Gallery Loan (Sellers Note)**

A note was provided to Harbor/Gallery totaling \$4,352,990 as part of the financing agreement for the sale of the property to West Greenville II, LLC. The Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest accrues at a simple rate of 2.55% per year and matures on November 1, 2057. As of December 31, 2020, accrued interest totaled \$204,496. During 2020, surplus cash of \$89,949 was distributed towards accrued interest.

**Harbor/Gallery Loan**

Funding provided to construct Harbor/Gallery totaling \$1,385,000. The project is owned and operated by West Greenville II, LLC, while the Authority has a minority ownership interest in the project. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. Interest is to accrue at a rate of 1.00% per year commencing on May 1, 2030 and matures on November 1, 2057. As of December 31, 2020 the balance of the loan totaled \$1,350,000.

**Seller Note – Preserve at Logan Park**

Note provided to Preserve at Logan Park to purchase the former Public Housing property known as Garden Apartments in 2018. The note is nonrecourse debt, second in priority, collateralized by real estate, and accrues interest at 3.22% per annum. Annual payments are due in an amount equal to 50% of the Excess Cash Flow, as defined in the Operating Agreement, until the maturity date of December 1, 2058, at which time any remaining principal and interest balance is due. As of December 31, 2020, accrued interest totaled \$232,256.

**TGHA Note Payable – Preserve at Logan Park**

Permanent financing to construct Preserve at Logan Park in the maximum amount of \$2,500,000. The note is nonrecourse debt, fifth in priority, secured by real estate and bears interest at 1.00% per annum. Annual payments in an amount equal to 10% of the Excess Cash Flow, as defined in the Operating Agreement, and are due on the first of December beginning December 1, 2019. As of December 31, 2020, accrued interest totaled \$14,013.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 5 – OTHER NONCURRENT ASSETS (CONT'D)**

**AHP Note Payable – Preserve at Logan Park**

Permanent financing to construct Preserve at Logan Park through a grant obtained from the Federal Home Loan Bank of Atlanta in the amount of \$500,000. The note is sixth in priority, is non-amortizing, nonrecourse debt secured by real estate and bears interest at 0.50% per annum. A single lump sum payment of principal and interest is due and payable on December 1, 2058. As of December 31, 2020, accrued interest totaled \$3,185.

**Investment in Charleston Place**

Payment for the purchase of General Partner interest in 335 Greenacre Road, LP totaled \$80,972. Charleston Place is a LIHTC property in which the Authority provides PBV assistance. The interest gives the Authority control of this development.

**Investment in Forestview**

Payment for the purchase of General Partner interest in 50 Ramsey Court, LP totaled \$46,002. Forestview is a LIHTC property in which the Authority provides PBV assistance. The interest gives the Authority control of this development.

**Investment in Valley Creek**

Cost of purchase of General Partner interest in Valley Creek Associates, LP totaled \$481,988. Valley Creek is a LIHTC property in which the Authority provides PBV assistance. The interest gives the Authority control of this development. During 2020, the Authority purchased the Limited Partner interest, therefore Valley Creek is now wholly owned by the Authority, and the investment was disposed of accordingly.

A summary of noncurrent assets is as follows:

	Beginning	Additions	Deductions	Ending	Due Within One Year
Charleston Place Loan (Note 7)	\$ 872,757	\$ 48,002	\$ -	\$ 920,759	\$ -
Charleston Place Loan (IDRR, Note 7)	78,030	1,561	-	79,591	-
Evergreen Place Loan	11,287,834	249,963	-	11,537,797	-
Forestview Loan (Note 7)	4,939,510	271,673	-	5,211,183	-
Nicholtown Loan	3,660,245	172,767	-	3,833,012	-
Clark Ridge Loan	2,779,026	139,001	-	2,918,027	-
Valley Creek Loan (Note 7)	1,980,133	-	(1,980,133)	-	-
Harbor/Gallery Loan (Sellers Note)	4,549,614	98,821	(89,949)	4,558,486	-
Harbor/Gallery Loan	1,350,000	-	-	1,350,000	-
Preserve Loan (Sellers Note)	3,576,005	111,251	-	3,687,256	-
Preserve Loan (GHA)	419,127	2,092,796	-	2,511,923	-
Preserve Loan (AHP)	500,685	2,500	-	503,185	-
Other Assets - Valley Creek	18,012	-	(18,012)	-	-
Investment in Charleston Place	80,972	-	-	80,972	-
Investment in Forestview	46,002	-	-	46,002	-
Ground Lease Valley Creek	149,089	-	(1,813)	147,276	1,813
Investment in Valley Creek	481,988	-	(481,988)	-	-
Total Noncurrent Assets	36,769,029	3,188,335	(2,571,895)	37,385,469	1,813
Less: Allowance	(21,530,789)	(911,478)	669,993	(21,772,274)	-
Net Noncurrent Assets	<u>\$ 15,238,240</u>	<u>\$ 2,276,857</u>	<u>\$ (1,901,902)</u>	<u>\$ 15,613,195</u>	<u>\$ 1,813</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 6 – CAPITAL ASSETS (CONT'D)**

The following is a summary of changes in Capital Assets during the year.

<b>Primary Government</b>	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ 5,497,372	\$ -	\$ -	\$ 5,497,372
Construction in Progress	-	529,463	-	529,463
Depreciable Assets:				
Buildings & Improvements	26,942,691	-	-	26,942,691
Leasehold Improvements	579,532	-	-	579,532
Land Improvements	3,151,742	-	-	3,151,742
Furniture & Equipment	358,834	-	-	358,834
Total	36,530,171	529,463	-	37,059,634
Less: Accumulated Depreciation	<u>(15,401,621)</u>	<u>(983,357)</u>	-	<u>(16,384,978)</u>
Net Book Value	<u>\$ 21,128,550</u>			<u>\$ 20,674,656</u>
<b>Discretely Presents Component Units</b>	<u>Beginning</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending</u>
Nondepreciable Assets:				
Land	\$ -	\$ 349,299	\$ -	\$ 349,299
Construction in Progress	17,033,550	11,125,038	(27,621,606)	536,982
Depreciable Assets:				
Buildings & Improvements	5,814,914	22,882,300	-	28,697,214
Land Improvements	463,636	2,755,409	-	3,219,045
Furniture & Equipment	213,934	1,572,723	-	1,786,657
Total	23,526,034	38,684,769	(27,621,606)	34,589,197
Less: Accumulated Depreciation	<u>(2,815,498)</u>	<u>(630,121)</u>	-	<u>(3,445,619)</u>
Net Book Value	<u>\$ 20,710,536</u>			<u>\$ 31,143,578</u>

**Significant Additions and Dispositions**

Significant additions of the Primary Government include ongoing rehab projects at the Scattered Sites properties and GAH Valley Creek. Significant activity of the Discretely Presented Component Units represents construction of the Preserve at Logan Park.

**NOTE 7 – MORTGAGE AND NOTES PAYABLE**

***Primary Government***

**Midland States Bank Mortgage**

Valley Creek obtained permanent financing through HUD's Section 223(f) program with Love Funding Corporation in the original amount of \$2,786,800. The loan bears interest at 2.30% per annum and is secured in first priority by a deed of trust on buildings and improvements. The mortgage is payable in monthly installments of principal and interest of \$9,666.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)**

**Grandbridge Mortgage**

Valley Creek had obtained permanent financing from Grandbridge Real Estate Capital, LLC in the original amount of \$1,260,000. The loan bears interest at 6.815% per annum and is secured by a first deed of trust on the Property. The loan requires monthly payments of principal and interest totaling \$8,227. The loan was paid in full as of September 30, 2020 upon refinance. Payoff included \$81,914 in prepayment penalties and fees.

**TGHA Note Payable**

The Partnership obtained a subordinate loan from TGHA, in the original amount of \$1,340,212. The loan bears interest at 3% per annum and is secured by a pledge of its leasehold interest in the land and land improvements comprising the Property. The loan was paid in full as of September 30, 2020 upon refinance. Payoff included \$100,374 payment of deferred interest, with the remaining unpaid interest forgiven by the Authority. The gain for forgiveness of interest on debt totaled \$569,618 and is reported in the Special Item – Combination / Acquisition on the Statement of Revenue, Expenses and Changes in Net Position.

A schedule of long-term debt for the year ended December 31, 2020 is as follows:

<b><u>Primary Government</u></b>	<b><u>Beginning</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b><u>Ending</u></b>	<b><u>Due Within One Year</u></b>
<b><u>Valley Creek</u></b>					
Grandbridge Mortgage	\$ 994,910	\$ -	\$ (994,910)	\$ -	\$ -
Midland Bank Mortgage	-	2,786,800	(8,658)	2,778,142	52,653
TGHA Note Payable	1,980,132	-	(1,980,132)	-	-
Total Long Term Debt	<u>\$ 2,975,042</u>	<u>\$ 2,786,800</u>	<u>\$ (2,983,700)</u>	<u>\$ 2,778,142</u>	<u>\$ 52,653</u>
			Less: Current Portion	(52,653)	
			Long-Term Portion	<u>\$ 2,725,489</u>	

Annual maturities of long-term obligations of the Primary Government are as follows:

<b><u>Years Ending</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2021	\$ 52,653	\$ 63,344	\$ 115,997
2022	53,877	62,120	115,997
2023	55,129	60,868	115,997
2024	56,410	59,587	115,997
2025	57,722	58,275	115,997
2026-2030	309,367	270,620	579,987
2031-2035	347,034	232,953	579,987
2036-2040	389,286	190,701	579,987
2041-2045	436,680	143,307	579,987
2046-2050	489,848	90,139	579,987
2051-2055	530,136	30,518	560,654
	<u>\$ 2,778,142</u>	<u>\$ 1,262,432</u>	<u>\$ 4,040,574</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)**

***Discretely Presented Component Units:***

**Charleston Place**  
**TGHA Note Payable**

Charleston Place obtained financing from TGHA on July 27, 2006 in the original amount of \$441,998. The loan bears interest at the greater of 5.5% per annum or the highest long-term annual compounding applicable federal rate, and is nonrecourse debt, secured by the Property. All outstanding principal and accrued interest is due at maturity on December 31, 2047. As of December 31, 2020, the note payable principal balance was \$441,998 and accrued interest was \$478,761.

**AHP Note Payable**

Charleston Place obtained a subordinate loan originally due to TGHA and subsequently transferred to BB&T as the member bank of the Federal Home Loan Bank of Atlanta (the "Lender") on December 7, 2005 in the original amount of \$225,000. The subsidy does not bear interest and the Partnership is required to repay the portion of the subsidy (plus interest, if deemed appropriate by the Lender) that is not used in compliance with the terms of the Affordable Housing Program Agreement during a 15-year period commencing on December 7, 2005. The balance payable as of December 31, 2020 was \$225,000.

**IDRR Note Payable**

Charleston Place obtained financing from TGHA on December 21, 2017 in the original amount of \$75,000. The loan bears interest at 2% per annum, compounded annually and payable upon Disposition in accordance with the terms of the Partnership agreement. Loan proceeds were used to fund the Initial Deposit Replacement Reserve (IDRR) as required by HUD as part of the RAD Conversion. The note is unsecured, nonrecourse debt. As of December 31, 2020 the note payable principal balance was \$75,000 and accrued interest totaled \$4,591.

**Forestview**

**SA Affordable Housing Note Payable**

Construction and permanent financing for Forestview was provided by SA Affordable Housing, LLC, an affiliate of the Limited Partner, under a loan commitment of \$2,500,000. On May 6, 2009, the Limited Partner's first capital contribution was used to pay \$1,000,000 of the outstanding construction loan debt and the remaining \$1,500,000 loan balance was converted to a permanent loan. The loan is secured by a first deed of trust in all the Partnership's property and leasehold interest and bears interest at 7.361% per annum. Monthly payments of principal and interest in the amount of \$10,346 began upon closing of permanent financing. Any remaining principal and interest shall be due and payable on June 1, 2025. In conjunction with this loan, the Partnership is also required to make annual deposits equal to \$250 per unit to the replacement reserve escrow. In July 2018, the Partnership drew down additional funds in order to pay down the balance of the LP loan. As a result, the Partnerships monthly principal and interest payments increased to \$12,542. As of December 31, 2020 the note payable principal balance was \$1,495,554 and accrued interest totaled \$9,412.

**TGHA Note Payable**

Forestview obtained additional financing from TGHA in the original amount of \$2,667,359, of which \$1,044,583 was funded by the HOPE VI program and \$1,622,776 was funded by the Authority's capital fund. The loan bears interest of 5.5% per annum, and is nonrecourse debt, secured by the Property. Loan terms include annual payments of principal and interest payable from Surplus Cash as defined in the partnership agreement. The loan matures on June 20, 2052. As of December 31, 2020, the note payable principal balance was \$2,667,359 and accrued interest totaled \$2,543,823.



**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)**

**Accrued Interest – SunAmerica Housing**

The Limited Partner provided Forestview with an Excess LP Loan in the amount of \$422,858 under the terms of the Partnership Agreement. The outstanding principal balance was repaid as of December 31, 2020, and no further interest will be incurred. As of December 31, 2020, accrued interest totaled \$257,536, and is payable from Net Cash Flow.

**Preserve at Logan Park**

**Citibank Construction Loan**

Preserve at Logan Park obtained construction and permanent financing from Citibank for the maximum amount of \$16,000,000. During the construction term, loan bears interest at a rate of 4.28138% per annum. The loan converts to permanent in 2021 and paid down to \$11,480,000 at final closing. The permanent loan is to amortize over 35 years and payable in 30 years, maturing May 2056 at a rate of 5.81% per annum. The loan is collateralized by investment in real estate in first priority.

**Seller Note**

Preserve at Logan Park received a note from the Authority (Seller) as part of the financing agreement for purchase of the former Public Housing property known as Garden Apartments in 2018. The note is nonrecourse debt, second in priority, collateralized by real estate, and accrues interest at 3.22% per annum. Annual payments are due in an amount equal to 50% of the Excess Cash Flow, as defined in the Operating Agreement, until the maturity date of December 1, 2058, at which time any remaining principal and interest balance is due. As of December 31, 2020, accrued interest totaled \$232,256.

**Greenville Community Works**

Preserve at Logan Park obtained financing from Greenville Community Works in the amount of \$500,000. The loan is nonrecourse debt, third in priority, secured by real estate and bears interest at 4.75% per annum. Annual payments equal to the lesser of 35% of the excess Cash Flow, as defined in the Operating Agreement, or \$26,943 and are due on the first day of December each year, beginning December 1, 2019. The note matures on December 1, 2038.

**Greenville Housing Trust Fund**

Preserve at Logan Park obtained financing from the Greenville Housing Fund in the amount of \$500,000. The loan is nonrecourse debt, fourth in priority, secured by real estate and bears interest at 3.50% per annum. Annual payments in an amount equal to the lesser of 35% of the excess Cash Flow, as defined in the Operating Agreement, or \$26,943 and are due on the first day of December each year, beginning December 1, 2019. The note matures on December 1, 2038.

**TGHA Note Payable**

Preserve at Logan Park obtained financing from TGHA in the maximum amount of \$2,500,000. The note is nonrecourse debt, fifth in priority, secured by real estate and bears interest at 1.00% per annum. Annual payments in an amount equal to 10% of the Excess Cash Flow, as defined in the Operating Agreement, and are due on the first of December beginning December 1, 2019. As of December 31, 2020, accrued interest totaled \$14,013.

**AHP Note Payable**

Preserve at Logan Park obtained financing from TGHA through a grant obtained from the Federal Home Loan Bank of Atlanta in the amount of \$500,000. The note is sixth in priority, is non-amortizing, nonrecourse debt secured by real estate and bears interest at 0.50% per annum. A single lump sum payment of principal and interest is due and payable on December 1, 2058. As of December 31, 2020, accrued interest totaled \$3,185.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 7 – MORTGAGE AND NOTES PAYABLE (CONT'D)**

A schedule of long-term debt for the year ended December 31, 2020 is as follows:

<b><u>Discretely Presented</u></b>					
<b><u>Component Units</u></b>	<u>Beginning</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending</u>	<u>Due Within One Year</u>
<b>Charleston Place</b>					
TGHA Note Payable	\$ 872,757	\$ 48,002	\$ -	\$ 920,759	\$ -
AHP Note Payable	225,000	-	-	225,000	-
IDRR Note Payable	78,030	1,561	-	79,591	-
<b>Forestview</b>					
SA Affordable Housing Note	1,570,499	-	(36,098)	1,534,401	38,847
TGHA Note Payable	4,939,509	271,673	-	5,211,182	-
Accrued Interest	275,846	-	(18,310)	257,536	-
<b>Preserve at Logan Park</b>					
Citibank Mortgage	8,128,234	7,798,390	-	15,926,624	4,508,155
Greenville Housing Trust Fund	500,000	-	-	500,000	-
Greenville Community Works	500,000	-	-	500,000	-
FHLB Atlanta, AHP	500,685	2,500	-	503,185	-
TGHA Seller's Note	3,576,005	111,251	-	3,687,256	-
TGHA Loan	423,657	2,088,266	-	2,511,923	-
Total Long Term Debt	<u>\$21,590,222</u>	<u>\$10,321,643</u>	<u>\$ (54,408)</u>	<u>\$31,857,457</u>	<u>\$ 4,547,002</u>
			Less: Current Portion	<u>(4,547,002)</u>	
			Long-Term Portion	<u>\$27,310,455</u>	

Annual maturities of long-term obligations of the Discretely Presented Component Units are as follows:

<u>Years Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 4,547,002	\$ 778,641	\$ 5,325,643
2022	228,272	769,814	998,086
2023	158,072	760,422	918,494
2024	168,068	750,427	918,495
2025	1,486,956	689,750	2,176,706
2026-2030	752,303	3,087,672	3,839,975
2031-2035	997,761	2,842,214	3,839,975
2036-2040	2,548,306	2,516,669	5,064,975
2041-2045	1,755,066	2,084,909	3,839,975
2046-2050	3,248,460	1,512,274	4,760,734
2051-2055	8,555,889	791,701	9,347,590
2056-2060	7,411,302	-	7,411,302
	<u>\$31,857,457</u>	<u>\$16,584,493</u>	<u>\$48,441,950</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 8 – HOUSING CHOICE VOUCHER NET POSITION**

The summary of HCV program balances is as follows:

	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Beginning Net Position	\$ 373,403	\$ -	\$ 373,403
Revenue			
HUD Operating Grants	2,603,443	22,350,492	24,953,935
Fraud Recovery	2,360	2,360	4,720
Other Income	49,527	21,528	71,055
Total Revenue	<u>2,655,330</u>	<u>22,374,380</u>	<u>25,029,710</u>
Expenses			
Operating	(2,028,923)	-	(2,028,923)
Housing Assistance Payments	(47,060)	(21,861,903)	(21,908,963)
Total Expenses	<u>(2,075,983)</u>	<u>(21,861,903)</u>	<u>(23,937,886)</u>
Net Result	<u>579,347</u>	<u>512,477</u>	<u>1,091,824</u>
Ending Net Position	<u>\$ 952,750</u>	<u>\$ 512,477</u>	<u>\$ 1,465,227</u>
HUD-Held Program Reserves (HHR)		<u>\$ 438</u>	

**NOTE 9 – HUD CAPITAL FUND PROGRAM**

The Authority is provided HUD development funds for modernization projects and replacement housing. Grant expenditures were audited in accordance with program requirements. The following completed grants have been fully expended, disbursed and liabilities fully paid as of December 31, 2020:

	<u>SC16P004</u>	
	<u>501-18</u>	<u>501-19</u>
Funds Authorized	<u>\$ 728,600</u>	<u>\$ 583,234</u>
Funds Advanced	728,600	583,234
Less Project Expenditures	<u>728,600</u>	<u>583,234</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ -</u>

The following grants is open as of December 31, 2020:

	<u>SC16P004</u>
	<u>501-20</u>
Funds Authorized	<u>\$ 585,658</u>
Funds Advanced	582,418
Less Project Expenditures	<u>582,418</u>
Excess(Deficiency) of Advances	<u>\$ -</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 10 – OTHER HUD GRANTS**

The Authority was awarded ROSS and FSS Grants for support services to public housing residents and HCV participants. Grant expenditures were audited in accordance with program requirements.

The following grants have been fully expended and liabilities fully paid as of December 31, 2020: No grants were closed during the year ending December 31, 2020.

The following grants are open as of December 31, 2020:

	<u>ROSS018</u>	<u>FSS20SC</u>
	1153	3382
Funds Authorized	<u>\$ 246,000</u>	<u>\$ 110,000</u>
Funds Advanced	220,219	85,454
Less Project Expenditures	<u>220,219</u>	<u>101,208</u>
Excess(Deficiency) of Advances	<u>\$ -</u>	<u>\$ (15,754)</u>

**NOTE 11 – RETIREMENT PLAN**

The Authority provides pension benefits for all its eligible full-time employees through a defined contribution plan, known as The Government Agency Retirement Plan. The plan is administered by Billings and Company, Incorporated. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Authority contributes 10% of the employees' base salary and employees do not contribute to the plan. Contributions and allocated investment earnings are fully vested after 5 years of continuous service. During 2020, the Authority made the required contributions in the amount of \$151,759, and there were no significant unpaid pension liabilities outstanding as of December 31, 2020. Total forfeitures were \$-0- during the year ended December 31, 2020.

**NOTE 12 – CONDUIT DEBT OBLIGATION – RELATED PARTY**

In December of 2006, the Authority issued \$9,000,000 of Multi-Family Tax Exempt Bonds to finance a loan to Three Hundred Nichol Street, LP (the Borrower). The loan from the Authority to the Borrower was made to finance the acquisition and rehabilitation of an apartment complex in Greenville, South Carolina. The loan made by the Authority to the Borrower is secured by a first deed of trust in all the Borrower's property. The Authority's obligation under the bond issue is limited to payments received by the Authority from the Borrower, and the security pledged, from the Borrower. The principal balance of the loan owed by the Borrower to the Authority, and payable from the Authority on the bonds, was \$2,054,000 at December 31, 2020. Due to the Authority's limited obligation under the bond issue, management has elected not to account for the transaction as a liability because the Authority's assets are not at risk concerning the bonds. Accordingly, the Authority has not recognized the related note receivable due from the Partnership as an asset.

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 13 – CONDENSED FINANCIAL STATEMENTS OF BLENDED COMPONENT UNIT**

Below is the condensed financial information of Greenville Development Corporation:

<b>Condensed Statement of Net Position</b>	<b>Nonmajor GRDC's</b>	<b>GAH Scattered Sites, LLC</b>	<b>GAH Arcadia Hills, LLC</b>	<b>GAH Ridgeway, LLC</b>	<b>GAH Valley Creek</b>	<b>Total BCU's</b>
Cash & Investments	\$ -	\$ 1,971,405	\$ 652,422	\$ 408,568	\$ 2,303,383	\$ 5,335,778
Other Current Assets	45,000	49,444	16,518	1,725	28,962	141,649
Capital & Other Noncurrent Assets	126,974	5,683,893	4,360,775	1,346,073	2,820,142	14,337,857
Total Assets	171,974	7,704,742	5,029,715	1,756,366	5,152,487	19,815,284
Current & Other Liabilities	-	129,031	20,478	3,631	233,160	386,300
Noncurrent Liab	-	10,324	3,481	511	2,728,169	2,742,485
Total Liab.	-	139,355	23,959	4,142	2,961,329	3,128,785
Invested in Cap. Assets	-	5,683,893	4,360,775	1,346,073	(105,276)	11,285,465
Restricted	-	545,273	364,003	130,288	1,378,991	2,418,555
Unrestricted	171,974	1,336,221	280,978	275,863	917,443	2,982,479
Total Net Position	<u>\$ 171,974</u>	<u>\$ 7,565,387</u>	<u>\$ 5,005,756</u>	<u>\$ 1,752,224</u>	<u>\$ 2,191,158</u>	<u>\$ 16,686,499</u>
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Position</b>	<b>Nonmajor GRDC's</b>	<b>GAH Scattered Sites, LLC</b>	<b>GAH Arcadia Hills, LLC</b>	<b>GAH Ridgeway, LLC</b>	<b>GAH Valley Creek</b>	<b>Total BCU's</b>
Operating Revenues						
Rental - Tenant and Subsidy	\$ -	\$ 889,162	\$ 262,391	\$ 56,483	\$ 436,867	\$ 1,644,903
Other General Revenues	15,000	20,581	5,125	150	6,297	47,153
Total Operating Revenues	15,000	909,743	267,516	56,633	443,164	1,692,056
Expenses						
Administrative & Operating	6,000	737,638	202,463	47,659	590,084	1,583,844
Depreciation	-	329,699	233,094	33,027	241,062	836,882
Total Expenses	6,000	1,067,337	435,557	80,686	831,146	2,420,726
Operating Income (Loss)	9,000	(157,594)	(168,041)	(24,053)	(387,982)	(728,670)
Nonoperating Revenues (Expenses)						
Nonroutine Maintenance	-	(32,760)	-	-	-	(32,760)
Interest Income	-	-	-	-	165	165
Interest Expense	-	-	-	-	(99,271)	(99,271)
Gain/(Loss) on Sale of Assets	-	120,501	-	-	-	120,501
Income (Loss) before Capital Contributions	9,000	(69,853)	(168,041)	(24,053)	(487,088)	(740,035)
Operating Transfers	16,000	-	-	-	2,016,534	2,032,534
Special Item - Combination / Acquisition	(510,000)	-	-	-	661,712	151,712
Change in Net Position	(485,000)	(69,853)	(168,041)	(24,053)	2,191,158	1,444,211
Beginning Net Position	656,974	7,635,240	5,173,797	1,776,277	-	15,242,288
Ending Net Position	<u>\$ 171,974</u>	<u>\$ 7,565,387</u>	<u>\$ 5,005,756</u>	<u>\$ 1,752,224</u>	<u>\$ 2,191,158</u>	<u>\$ 16,686,499</u>

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

**NOTE 14 – CONDENSED FINANCIAL STATEMENTS OF DPCU**

Below is the condensed financial information of the Discretely Presented Component Units:

<b>Condensed Statement of Net Position</b>	<b>Charleston Place</b>	<b>Forestview</b>	<b>Preserve at Logan Park</b>	<b>Total DPCU's</b>
Cash & Investments	\$ 243,265	\$ 313,990	\$ 3,199,930	\$ 3,757,185
Other Current Assets	15,504	48,731	12,150	76,385
Capital & Other Noncurrent Assets	2,290,410	1,179,971	27,732,322	31,202,703
Total Assets	2,549,179	1,542,692	30,944,402	35,036,273
				-
Current & Other Liabilities	62,335	107,406	6,735,859	6,905,600
Noncurrent Liab	1,306,159	6,992,500	19,120,833	27,419,492
Total Liab.	1,368,494	7,099,906	25,856,692	34,325,092
				-
Invested in Cap. Assets	1,144,651	(5,565,612)	4,044,209	(376,752)
Restricted	204,372	248,456	2,976,201	3,429,029
Unrestricted	(168,338)	(240,058)	(1,932,700)	(2,341,096)
Total Net Position	\$ 1,180,685	\$ (5,557,214)	\$ 5,087,710	\$ 711,181
<b>Condensed Statement of Revenues, Expenses, and Changes in Net Position</b>	<b>Charleston Place</b>	<b>Forestview</b>	<b>Preserve at Logan Park</b>	<b>Total DPCU's</b>
Operating Revenues				
Rental - Tenant and Subsidy	\$ 280,381	\$ 705,029	\$ 459,549	\$ 1,444,959
Other General Revenues	1,522	584	1,518	3,624
Total Operating Revenues	281,903	705,613	461,067	1,448,583
Expenses				
Administrative & Operating	253,481	400,326	354,685	1,008,492
Depreciation	190,575	16,030	423,516	630,121
Total Expenses	444,056	416,356	778,201	1,638,613
Operating Income (Loss)	(162,153)	289,257	(317,134)	(190,030)
Nonoperating Revenues (Expenses)				
Nonroutine Maintenance	-	(28,208)	-	(28,208)
Interest Expense	(49,562)	(389,625)	(297,974)	(737,161)
Interest Income	-	268	-	268
Income (Loss) before Capital Contributions	(211,715)	(128,308)	(615,108)	(955,131)
Capital Contributions	-	-	5,702,818	5,702,818
Change in Net Position	(211,715)	(128,308)	5,087,710	4,747,687
Beginning Net Position	1,392,400	(5,428,906)	-	(4,036,506)
Ending Net Position	\$ 1,180,685	\$ (5,557,214)	\$ 5,087,710	\$ 711,181

**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE 15 – CURRENT VULNERABILITY DUE TO CERTAIN CONCENTRATIONS**

The Authority receives a substantial portion of revenue from the Department of Housing and Urban Development (HUD). The Authority operates in a heavily regulated environment. The operations of the Authority are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress, or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost to comply with the change.

**NOTE 16 – DATE OF MANAGEMENT'S REVIEW**

Events that occur after the balance sheet date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through August 18, 2021, the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
111 Cash - Unrestricted			\$278,039	\$2,835,987	\$3,344,536		
112 Cash - Restricted - Modernization and Development			\$3,398,874	\$2,403,649			
113 Cash - Other Restricted			\$30,155	\$14,906	\$18,282		\$93
114 Cash - Tenant Security Deposits			\$50,117	\$81,236			
115 Cash - Restricted for Payment of Current Liabilities							
100 Total Cash	\$0	\$0	\$3,757,185	\$5,335,778	\$3,362,818	\$0	\$93
121 Accounts Receivable - PHA Projects							
122 Accounts Receivable - HUD Other Projects							\$34,471
124 Accounts Receivable - Other Government							
125 Accounts Receivable - Miscellaneous			\$16,977	\$43,844	\$23,967		
126 Accounts Receivable - Tenants			\$18,317	\$37,009			
126.1 Allowance for Doubtful Accounts -Tenants			\$0	-\$200			
126.2 Allowance for Doubtful Accounts - Other			\$0	\$0	\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current							
128 Fraud Recovery							
128.1 Allowance for Doubtful Accounts - Fraud							
129 Accrued Interest Receivable							
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$35,294	\$80,653	\$23,967	\$0	\$34,471
131 Investments - Unrestricted							
132 Investments - Restricted							
135 Investments - Restricted for Payment of Current Liability							
142 Prepaid Expenses and Other Assets			\$41,091	\$60,996	\$1,834		
150 Total Current Assets	\$0	\$0	\$3,833,570	\$5,477,427	\$3,388,619	\$0	\$34,564
161 Land			\$349,299	\$1,784,868	\$3,712,504		
162 Buildings			\$28,697,214	\$26,157,719			
163 Furniture, Equipment & Machinery - Dwellings			\$1,679,546	\$129,936			
164 Furniture, Equipment & Machinery - Administration			\$107,111	\$3,200	\$213,015		
165 Leasehold Improvements			\$3,219,045	\$252,259			
166 Accumulated Depreciation			-\$3,445,619	-\$14,793,838	-\$1,263,596		
167 Construction in Progress			\$536,982	\$529,463			
168 Infrastructure					\$3,151,742		
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$31,143,578	\$14,063,607	\$5,813,665	\$0	\$0



THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
111 Cash - Unrestricted	\$697,076				\$644,938	\$7,800,576		\$7,800,576
112 Cash - Restricted - Modernization and Development						\$5,802,523		\$5,802,523
113 Cash - Other Restricted	\$512,477					\$575,913		\$575,913
114 Cash - Tenant Security Deposits						\$131,353		\$131,353
115 Cash - Restricted for Payment of Current Liabilities								
100 Total Cash	\$1,209,553	\$0	\$0	\$0	\$644,938	\$14,310,365	\$0	\$14,310,365
121 Accounts Receivable - PHA Projects	\$39,244					\$39,244		\$39,244
122 Accounts Receivable - HUD Other Projects	\$23,666	\$0		\$15,754		\$73,891		\$73,891
124 Accounts Receivable - Other Government								
125 Accounts Receivable - Miscellaneous						\$84,788		\$84,788
126 Accounts Receivable - Tenants						\$55,326		\$55,326
126.1 Allowance for Doubtful Accounts -Tenants						-\$200		-\$200
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0		\$0		\$0		\$0
127 Notes, Loans, & Mortgages Receivable - Current								
128 Fraud Recovery								
128.1 Allowance for Doubtful Accounts - Fraud								
129 Accrued Interest Receivable								
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$62,910	\$0	\$0	\$15,754	\$0	\$253,049	\$0	\$253,049
131 Investments - Unrestricted								
132 Investments - Restricted	\$221,633					\$221,633		\$221,633
135 Investments - Restricted for Payment of Current Liability								
142 Prepaid Expenses and Other Assets	\$1,412				\$73,238	\$178,571		\$178,571
150 Total Current Assets	\$1,529,979	\$0	\$0	\$15,754	\$733,930	\$15,013,843	-\$50,225	\$14,963,618
161 Land						\$5,846,671		\$5,846,671
162 Buildings					\$784,972	\$55,639,905		\$55,639,905
163 Furniture, Equipment & Machinery - Dwellings						\$1,809,482		\$1,809,482
164 Furniture, Equipment & Machinery - Administration	\$6,897				\$5,786	\$336,009		\$336,009
165 Leasehold Improvements	\$327,273				\$0	\$3,798,577		\$3,798,577
166 Accumulated Depreciation	-\$108,089				-\$219,455	-\$19,830,597		-\$19,830,597
167 Construction in Progress						\$1,066,445		\$1,066,445
168 Infrastructure						\$3,151,742		\$3,151,742
160 Total Capital Assets, Net of Accumulated Depreciation	\$226,081	\$0	\$0	\$0	\$571,303	\$51,818,234	\$0	\$51,818,234

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
171 Notes, Loans and Mortgages Receivable - Non-Current					\$15,338,945		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due							
173 Grants Receivable - Non Current							
174 Other Assets			\$59,125	\$147,276			
176 Investments in Joint Ventures				\$126,974			
180 Total Non-Current Assets	\$0	\$0	\$31,202,703	\$14,337,857	\$21,152,610	\$0	\$0
200 Deferred Outflow of Resources							
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$35,036,273	\$19,815,284	\$24,541,229	\$0	\$34,564
311 Bank Overdraft							
312 Accounts Payable <= 90 Days			\$646,873	\$112,041	\$21,598		
313 Accounts Payable >90 Days Past Due							
321 Accrued Wage/Payroll Taxes Payable							
322 Accrued Compensated Absences - Current Portion			\$9,859	\$1,478	\$1,600		
324 Accrued Contingency Liability							
325 Accrued Interest Payable			\$47,182	\$5,650			
331 Accounts Payable - HUD PHA Programs							
332 Account Payable - PHA Projects							
333 Accounts Payable - Other Government							
341 Tenant Security Deposits			\$50,617	\$81,236			
342 Unearned Revenue			\$60,502	\$124,242			
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue			\$4,547,002	\$52,653			
344 Current Portion of Long-term Debt - Operating Borrowings							
345 Other Current Liabilities							
346 Accrued Liabilities - Other			\$1,543,565	\$9,000			
347 Inter Program - Due To							\$34,471
348 Loan Liability - Current							
310 Total Current Liabilities	\$0	\$0	\$6,905,600	\$386,300	\$23,198	\$0	\$34,471

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
171 Notes, Loans and Mortgages Receivable - Non-Current						\$15,338,945		\$15,338,945
172 Notes, Loans, & Mortgages Receivable - Non Current - Past Due								
173 Grants Receivable - Non Current								
174 Other Assets						\$206,401		\$206,401
176 Investments in Joint Ventures						\$126,974		\$126,974
180 Total Non-Current Assets	\$226,081	\$0	\$0	\$0	\$571,303	\$67,490,554	\$0	\$67,490,554
200 Deferred Outflow of Resources								
290 Total Assets and Deferred Outflow of Resources	\$1,756,060	\$0	\$0	\$15,754	\$1,305,233	\$82,504,397	-\$50,225	\$82,454,172
311 Bank Overdraft								
312 Accounts Payable <= 90 Days	\$55,403				\$5,770	\$841,685		\$841,685
313 Accounts Payable >90 Days Past Due								
321 Accrued Wage/Payroll Taxes Payable								
322 Accrued Compensated Absences - Current Portion	\$1,104				\$1,649	\$15,690		\$15,690
324 Accrued Contingency Liability								
325 Accrued Interest Payable						\$52,832		\$52,832
331 Accounts Payable - HUD PHA Programs								
332 Account Payable - PHA Projects								
333 Accounts Payable - Other Government								
341 Tenant Security Deposits						\$131,853		\$131,853
342 Unearned Revenue						\$184,744		\$184,744
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue						\$4,599,655		\$4,599,655
344 Current Portion of Long-term Debt - Operating Borrowings								
345 Other Current Liabilities	\$221,633					\$221,633		\$221,633
346 Accrued Liabilities - Other						\$1,552,565		\$1,552,565
347 Inter Program - Due To				\$15,754		\$50,225	-\$50,225	\$0
348 Loan Liability - Current								
310 Total Current Liabilities	\$278,140	\$0	\$0	\$15,754	\$7,419	\$7,650,882	-\$50,225	\$7,600,657

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue			\$26,973,328	\$2,725,489			
352 Long-term Debt, Net of Current - Operating Borrowings			\$337,127				
353 Non-current Liabilities - Other			\$109,037				
354 Accrued Compensated Absences - Non Current				\$16,996	\$18,401		
355 Loan Liability - Non Current			\$0				
350 Total Non-Current Liabilities	\$0	\$0	\$27,419,492	\$2,742,485	\$18,401	\$0	\$0
300 Total Liabilities	\$0	\$0	\$34,325,092	\$3,128,785	\$41,599	\$0	\$34,471
400 Deferred Inflow of Resources							
508.3 Nonspendable Fund Balance							
508.4 Net Investment in Capital Assets			-\$376,752	\$11,285,465	\$5,813,665		
511.4 Restricted Net Position			\$3,429,029	\$2,418,555	\$18,282		\$93
512.3 Unassigned Fund Balance							
512.4 Unrestricted Net Position	\$0	\$0	-\$2,341,096	\$2,982,479	\$18,667,683	\$0	\$0
513 Total Equity - Net Assets / Position	\$0	\$0	\$711,181	\$16,686,499	\$24,499,630	\$0	\$93
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$0	\$0	\$35,036,273	\$19,815,284	\$24,541,229	\$0	\$34,564

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue						\$29,698,817		\$29,698,817
352 Long-term Debt, Net of Current - Operating Borrowings						\$337,127		\$337,127
353 Non-current Liabilities - Other						\$109,037		\$109,037
354 Accrued Compensated Absences - Non Current	\$12,693				\$18,962	\$67,052		\$67,052
355 Loan Liability - Non Current						\$0		\$0
350 Total Non-Current Liabilities	\$12,693	\$0	\$0	\$0	\$18,962	\$30,212,033	\$0	\$30,212,033
300 Total Liabilities	\$290,833	\$0	\$0	\$15,754	\$26,381	\$37,862,915	-\$50,225	\$37,812,690
400 Deferred Inflow of Resources								
508.3 Nonspendable Fund Balance								
508.4 Net Investment in Capital Assets	\$226,081				\$571,303	\$17,519,762		\$17,519,762
511.4 Restricted Net Position	\$512,477				\$0	\$6,378,436		\$6,378,436
512.3 Unassigned Fund Balance								
512.4 Unrestricted Net Position	\$726,669	\$0	\$0	\$0	\$707,549	\$20,743,284		\$20,743,284
513 Total Equity - Net Assets / Position	\$1,465,227	\$0	\$0	\$0	\$1,278,852	\$44,641,482	\$0	\$44,641,482
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$1,756,060	\$0	\$0	\$15,754	\$1,305,233	\$82,504,397	-\$50,225	\$82,454,172

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
70300 Net Tenant Rental Revenue			\$533,712	\$590,099			
70400 Tenant Revenue - Other			\$6,872				
70500 Total Tenant Revenue	\$0	\$0	\$540,584	\$590,099	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$2,284,433	\$77,002					\$116,003
70610 Capital Grants							
70710 Management Fee							
70720 Asset Management Fee							
70730 Book Keeping Fee							
70700 Total Fee Revenue							
70800 Other Government Grants			\$904,375	\$1,054,804		\$250,000	
71100 Investment Income - Unrestricted				\$165	\$2,234		
71200 Mortgage Interest Income			\$11		\$224,061		
71400 Fraud Recovery							
71500 Other Revenue	\$1,412		\$5,706,442	\$47,153	\$532,675		
71600 Gain or Loss on Sale of Capital Assets				\$120,501	\$238,000		
72000 Investment Income - Restricted			\$257				
70000 Total Revenue	\$2,285,845	\$77,002	\$7,151,669	\$1,812,722	\$996,970	\$250,000	\$116,003
91100 Administrative Salaries			\$100,493	\$95,253	\$268,520		\$5,351
91200 Auditing Fees			\$30,332	\$15,501	\$2,000		
91300 Management Fee	\$165,715		\$100,533	\$241,109			\$2,480
91310 Book-keeping Fee							\$1,525
91400 Advertising and Marketing			\$60,371		\$79		
91500 Employee Benefit contributions - Administrative			\$26,738	\$34,912	\$61,766		\$1,873
91600 Office Expenses			\$70,709	\$35,959	\$27,007		
91700 Legal Expense			\$3,460	\$35,587	\$46,956		
91800 Travel			\$6,490	\$437			
91810 Allocated Overhead							
91900 Other	\$10,500		\$23,607	\$140,452	\$33,070		
91000 Total Operating - Administrative	\$176,215	\$0	\$422,733	\$599,210	\$439,398	\$0	\$11,229

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
70300 Net Tenant Rental Revenue						\$1,123,811		\$1,123,811
70400 Tenant Revenue - Other						\$6,872		\$6,872
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0	\$1,130,683	\$0	\$1,130,683
70600 HUD PHA Operating Grants	\$23,189,033	\$43,918	\$1,764,902	\$101,208		\$27,576,499		\$27,576,499
70610 Capital Grants								
70710 Management Fee					\$572,999	\$572,999	-\$572,999	\$0
70720 Asset Management Fee								
70730 Book Keeping Fee					\$239,832	\$239,832	-\$239,832	\$0
70700 Total Fee Revenue					\$812,831	\$812,831	-\$812,831	\$0
70800 Other Government Grants						\$2,209,179	-\$833,297	\$1,375,882
71100 Investment Income - Unrestricted						\$2,399		\$2,399
71200 Mortgage Interest Income						\$224,072		\$224,072
71400 Fraud Recovery	\$4,720					\$4,720		\$4,720
71500 Other Revenue	\$71,056				\$63,722	\$6,422,460	-\$361,929	\$6,060,531
71600 Gain or Loss on Sale of Capital Assets						\$358,501		\$358,501
72000 Investment Income - Restricted	\$0					\$257		\$257
70000 Total Revenue	\$23,264,809	\$43,918	\$1,764,902	\$101,208	\$876,553	\$38,741,601	-\$2,008,057	\$36,733,544
91100 Administrative Salaries	\$150,936		\$393,394		\$254,094	\$1,268,041		\$1,268,041
91200 Auditing Fees	\$25,000				\$2,000	\$74,833		\$74,833
91300 Management Fee	\$404,804					\$914,641	-\$814,108	\$100,533
91310 Book-keeping Fee	\$238,307					\$239,832	-\$239,832	\$0
91400 Advertising and Marketing	\$253				\$1,130	\$61,833		\$61,833
91500 Employee Benefit contributions - Administrative	\$28,524		\$137,688		\$48,302	\$339,803		\$339,803
91600 Office Expenses	\$191,162				\$163,730	\$488,567	-\$63,420	\$425,147
91700 Legal Expense	\$1				\$16,165	\$102,169		\$102,169
91800 Travel	\$508				\$4,100	\$11,535		\$11,535
91810 Allocated Overhead								
91900 Other	\$117,219			\$7,605	\$31,607	\$364,060		\$364,060
91000 Total Operating - Administrative	\$1,156,714	\$0	\$531,082	\$7,605	\$521,128	\$3,865,314	-\$1,117,360	\$2,747,954

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
92000 Asset Management Fee							
92100 Tenant Services - Salaries							
92200 Relocation Costs							
92300 Employee Benefit Contributions - Tenant Services							
92400 Tenant Services - Other	\$2,160		\$14,394	\$1,599	\$1,069		
92500 Total Tenant Services	\$2,160	\$0	\$14,394	\$1,599	\$1,069	\$0	\$0
93100 Water			\$43,120	\$8,323	\$2,257		
93200 Electricity			\$55,900	\$15,980	\$798		
93300 Gas			\$2,041	\$905			
93600 Sewer			\$44,539				
93800 Other Utilities Expense			\$6,616	\$45,735	\$12,431		
93000 Total Utilities	\$0	\$0	\$152,216	\$70,943	\$15,486	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor			\$105,289	\$138,904			
94200 Ordinary Maintenance and Operations - Materials and Other	\$8,330		\$28,536	\$66,391			
94300 Ordinary Maintenance and Operations Contracts			\$132,507	\$269,938	\$2,809		
94500 Employee Benefit Contributions - Ordinary Maintenance			\$20,282	\$42,866			
94000 Total Maintenance	\$8,330	\$0	\$286,614	\$518,099	\$2,809	\$0	\$0
95100 Protective Services - Labor							
95200 Protective Services - Other Contract Costs			\$10,322	\$1,196			
95300 Protective Services - Other							
95500 Employee Benefit Contributions - Protective Services							
95000 Total Protective Services	\$0	\$0	\$10,322	\$1,196	\$0	\$0	\$0
96110 Property Insurance			\$46,511	\$84,156	\$2,411		
96120 Liability Insurance			\$2,102	\$14,161	\$235		
96130 Workmen's Compensation			\$5,376	\$7,849	\$6,143		
96140 All Other Insurance			\$2,338	\$14,066	\$787		
96100 Total insurance Premiums	\$0	\$0	\$56,327	\$120,232	\$9,576	\$0	\$0
96200 Other General Expenses	\$523,191	\$77,002	\$29,076	\$212,885			
96210 Compensated Absences			\$4,827	\$20,363	\$23,349		
96300 Payments in Lieu of Taxes			\$28,549	\$33,707			
96400 Bad debt - Tenant Rents			\$3,434	\$5,610			



THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
92000 Asset Management Fee								
92100 Tenant Services - Salaries		\$30,946		\$69,874		\$100,820		\$100,820
92200 Relocation Costs								
92300 Employee Benefit Contributions - Tenant Services		\$11,541		\$20,328		\$31,869		\$31,869
92400 Tenant Services - Other	\$243	\$1,431	\$258,975	\$303		\$280,174		\$280,174
92500 Total Tenant Services	\$243	\$43,918	\$258,975	\$90,505	\$0	\$412,863	\$0	\$412,863
93100 Water					\$729	\$54,429		\$54,429
93200 Electricity					\$4,400	\$77,078		\$77,078
93300 Gas					\$527	\$3,473		\$3,473
93600 Sewer						\$44,539		\$44,539
93800 Other Utilities Expense					\$389	\$65,171		\$65,171
93000 Total Utilities	\$0	\$0	\$0	\$0	\$6,045	\$244,690	\$0	\$244,690
94100 Ordinary Maintenance and Operations - Labor						\$244,193		\$244,193
94200 Ordinary Maintenance and Operations - Materials and Other	\$3,527			\$109	\$1,616	\$108,509		\$108,509
94300 Ordinary Maintenance and Operations Contracts					\$10,498	\$415,752		\$415,752
94500 Employee Benefit Contributions - Ordinary Maintenance						\$63,148		\$63,148
94000 Total Maintenance	\$3,527	\$0	\$0	\$109	\$12,114	\$831,602	\$0	\$831,602
95100 Protective Services - Labor								
95200 Protective Services - Other Contract Costs	\$635				\$1,693	\$13,846		\$13,846
95300 Protective Services - Other								
95500 Employee Benefit Contributions - Protective Services								
95000 Total Protective Services	\$635	\$0	\$0	\$0	\$1,693	\$13,846	\$0	\$13,846
96110 Property Insurance	\$2,028				\$2,028	\$137,134		\$137,134
96120 Liability Insurance	\$232				\$232	\$16,962		\$16,962
96130 Workmen's Compensation	\$11,639				\$5,311	\$36,318		\$36,318
96140 All Other Insurance	\$1,765			\$2,989	\$12,173	\$34,118		\$34,118
96100 Total insurance Premiums	\$15,664	\$0	\$0	\$2,989	\$19,744	\$224,532	\$0	\$224,532
96200 Other General Expenses	\$3,931					\$846,085	-\$57,400	\$788,685
96210 Compensated Absences	\$47,798				\$22,095	\$118,432		\$118,432
96300 Payments in Lieu of Taxes						\$62,256		\$62,256
96400 Bad debt - Tenant Rents						\$9,044		\$9,044

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	Project Total	14.PHC Public Housing CARES Act Funding	6.1 Component Unit - Discretely Presented	6.2 Component Unit - Blended	1 Business Activities	2 State/Local	14.879 Mainstream Vouchers
96500 Bad debt - Mortgages							
96600 Bad debt - Other							
96800 Severance Expense							
96000 Total Other General Expenses	\$523,191	\$77,002	\$65,886	\$272,565	\$23,349	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable			\$733,612	\$99,271			
96720 Interest on Notes Payable (Short and Long Term)			\$3,549				
96730 Amortization of Bond Issue Costs				\$0			
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$737,161	\$99,271	\$0	\$0	\$0
96900 Total Operating Expenses	\$709,896	\$77,002	\$1,745,653	\$1,683,115	\$491,687	\$0	\$11,229
97000 Excess of Operating Revenue over Operating Expenses	\$1,575,949	\$0	\$5,406,016	\$129,607	\$505,283	\$250,000	\$104,774
97100 Extraordinary Maintenance			\$28,208	\$32,760			
97200 Casualty Losses - Non-capitalized							
97300 Housing Assistance Payments							\$104,681
97350 HAP Portability-In							
97400 Depreciation Expense			\$630,121	\$836,882	\$109,954		
90000 Total Expenses	\$709,896	\$77,002	\$2,403,982	\$2,552,757	\$601,641	\$0	\$115,910
10010 Operating Transfer In	\$1,595,527						
10020 Operating transfer Out	-\$1,595,527						
10030 Operating Transfers from/to Primary Government					\$250,000	-\$250,000	
10100 Total Other financing Sources (Uses)	\$0	\$0	-\$92,094	\$169,325	\$332,761	-\$250,000	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$1,575,949	\$0	\$4,655,593	-\$570,710	\$728,090	\$0	\$93
11020 Required Annual Debt Principal Payments	\$0	\$0	\$38,847	\$52,653	\$0	\$0	\$0
11030 Beginning Equity	\$438,972	\$0	-\$3,944,412	\$15,242,288	\$23,771,540	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	-\$2,014,921		\$0	\$2,014,921			
11170 Administrative Fee Equity							
11180 Housing Assistance Payments Equity							
11190 Unit Months Available	1860	0	1344	2484	0	0	210
11210 Number of Unit Months Leased	1800	0	1323	2437	0	0	210
11270 Excess Cash	-\$1,745						

THE GREENVILLE HOUSING AUTHORITY (SC004)  
Greenville, SC  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 12/31/2020

	14.871 Housing Choice Vouchers	14.870 Resident Opportunity and Supportive Services	14.HCC HCV CARES Act Funding	14.896 PIH Family Self-Sufficiency Program	COCC	Subtotal	ELIM	Total
96500 Bad debt - Mortgages								
96600 Bad debt - Other								
96800 Severance Expense								
96000 Total Other General Expenses	\$51,729	\$0	\$0	\$0	\$22,095	\$1,035,817	-\$57,400	\$978,417
96710 Interest of Mortgage (or Bonds) Payable						\$832,883		\$832,883
96720 Interest on Notes Payable (Short and Long Term)						\$3,549		\$3,549
96730 Amortization of Bond Issue Costs						\$0		\$0
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0	\$836,432	\$0	\$836,432
96900 Total Operating Expenses	\$1,228,512	\$43,918	\$790,057	\$101,208	\$582,819	\$7,465,096	-\$1,174,760	\$6,290,336
97000 Excess of Operating Revenue over Operating Expenses	\$22,036,297	\$0	\$974,845	\$0	\$293,734	\$31,276,505	-\$833,297	\$30,443,208
97100 Extraordinary Maintenance						\$60,968		\$60,968
97200 Casualty Losses - Non-capitalized								
97300 Housing Assistance Payments	\$20,887,058		\$974,845			\$21,966,584	-\$833,297	\$21,133,287
97350 HAP Portability-In	\$47,060					\$47,060		\$47,060
97400 Depreciation Expense	\$10,355				\$26,166	\$1,613,478		\$1,613,478
90000 Total Expenses	\$22,172,985	\$43,918	\$1,764,902	\$101,208	\$608,985	\$31,153,186	-\$2,008,057	\$29,145,129
10010 Operating Transfer In						\$1,595,527	-\$1,845,527	-\$250,000
10020 Operating transfer Out						-\$1,595,527	\$1,845,527	\$250,000
10030 Operating Transfers from/to Primary Government						\$0		\$0
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$159,992	\$0	\$159,992
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$1,091,824	\$0	\$0	\$0	\$267,568	\$7,748,407	\$0	\$7,748,407
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0	\$91,500		\$91,500
11030 Beginning Equity	\$373,403	\$0	\$0	\$0	\$1,011,284	\$36,893,075		\$36,893,075
11040 Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0					\$0		\$0
11170 Administrative Fee Equity	\$952,750					\$952,750		\$952,750
11180 Housing Assistance Payments Equity	\$512,477					\$512,477		\$512,477
11190 Unit Months Available	36718	0	0	0	0	42616		42616
11210 Number of Unit Months Leased	35693	0	0	0	0	41463		41463
11270 Excess Cash						-\$1,745		-\$1,745

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

***Independent Auditor's Report***

The Governing Body  
Housing Authority of the City of Greenville

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate discretely presented component units of the Housing Authority of the City of Greenville as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Housing Authority of the City of Greenville's basic financial statements, and have issued our report thereon dated August 18, 2021.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Housing Authority of the City of Greenville's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Housing Authority of the City of Greenville's internal control. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Greenville's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Housing Authority of the City of Greenville's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Maletta & Company", with a stylized flourish at the end.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
August 18, 2021

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

***Independent Auditor's Report***

**Report on Compliance for Each Major Federal Program**

We have audited the Housing Authority of the City of Greenville's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Housing Authority of the City of Greenville's major federal programs for the year ended December 31, 2020. The Housing Authority of the City of Greenville's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Housing Authority of the City of Greenville's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Greenville's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Housing Authority of the City of Greenville's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the Housing Authority of the City of Greenville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2020-001. Our opinion on each major federal program is not modified with respect to these matters.

The Housing Authority of the City of Greenville's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Greenville's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control over Compliance**

Management of the Housing Authority of the City of Greenville is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Housing Authority of the City of Greenville's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Housing Authority of the City of Greenville's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

The Housing Authority of the City of Greenville's response to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Housing Authority of the City of Greenville's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Maletta & Company". The signature is stylized, with the first name "Maletta" written in a cursive script and "Company" written in a more formal, slightly cursive font. There is a small vertical line separating the two words.

Maletta & Company  
Certified Public Accountants

Bristol, Connecticut  
August 18, 2021



**THE HOUSING AUTHORITY OF THE CITY OF GREENVILLE**  
**SCHEDULE OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

<b>Federal Grantor / Pass-through Grantor / Program Title</b>	<b>Pass-Through / Identification Number</b>	<b>CFDA Number</b>	<b>Federal Expenditures</b>
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
<b>Direct Programs:</b>			
Low Rent Public Housing	SC004	14.850	\$ 500,323
Low Rent Public Housing - CARES Act	SC004 - 20DC	14.850	77,002
Total Low Rent Public Housing			<u>577,325</u>
Resident Opportunity and Supportive Services	ROSS181153	14.870	43,918
Section 8 Housing Choice Vouchers	SC004	14.871	23,189,033
Section 8 Housing Choice Vouchers - CARES Act	SC004	14.871	1,764,902
Mainstream Vouchers	SC004	14.879	116,003
Total Housing Voucher Cluster			<u>25,069,938</u>
Capital Fund Program	SC16P004501-18	14.872	618,458
Capital Fund Program	SC16P004501-19	14.872	583,234
Capital Fund Program	SC16P004501-20	14.872	582,418
Total Capital Fund Program			<u>1,784,110</u>
PIH Family Self Sufficiency Program	FSS18SC2756	14.896	101,208
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 27,576,499</u></u>

*See accompanying notes to  
Schedule of Expenditures of Federal Awards*

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the Authority under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, change in net positions, or cash flows of the Authority.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Pass-through entity identifying numbers are presented where available.
- (3) The Authority has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE C – PROGRAM COST**

The amounts presented as federal expenditures represent only the federal portion of the actual program costs. Actual program costs, including the Authority's portion, may be more than is shown on the schedule.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**I. Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: **Unmodified**

Internal control over financial reporting:

- |   |           |                |               |
|---|-----------|----------------|---------------|
| • Material weakness(es) identified?       | _____ Yes | _____ <b>X</b> | No            |
| • Significant deficiency(ies) identified? | _____ Yes | _____ <b>X</b> | None Reported |

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes \_\_\_\_\_ **X** \_\_\_\_\_ No

**Federal Awards**

Internal control over major programs:

- |   |                          |                |               |
|---|--------------------------|----------------|---------------|
| • Material weakness(es) identified?       | _____ Yes                | _____ <b>X</b> | No            |
| • Significant deficiency(ies) identified? | _____ <b>X</b> _____ Yes | _____          | None Reported |

Type of auditor's report issued on compliance for major federal programs:

**Unmodified**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ **X** \_\_\_\_\_ Yes \_\_\_\_\_ No

Identification of major federal programs:

CFDA Number(s)

Name of Federal Program or Cluster

14.871

Housing Voucher Cluster

14.850

Low Rent Public Housing

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as a low-risk auditee?

\_\_\_\_\_ **X** \_\_\_\_\_ Yes \_\_\_\_\_ No

**II. Financial Statement Findings**

None Reported.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**III. Federal Awards Findings**

**2020-001 – Eligibility – Housing Choice Voucher – CFDA# 14.871**

**Significant Deficiency and Material Noncompliance**

**Statement of Condition and Criteria**

Income calculations performed during annual re-examinations contained errors. Errors primarily relate to the annualization of participant income using documentation obtained. PHA's are required to determine income eligibility, calculate participant rent and housing assistance payment using sufficient, appropriate documentation in accordance with HUD regulations.

**Cause**

Lack of staff adherence to administrative policies related to annualizing income and ineffective quality control procedures.

**Effect or Potential Effect**

Overpayment of Housing Assistance Payments due to income calculation errors.

**Question Costs**

Known questioned costs totaled \$4,958.

**Context**

A sample of 40 files were selected to audit program eligibility from a population of 2,926. The test found 8 files with some form of income calculation deficiency, 3 of which contributed to the known question cost. Our sample was a statistically valid sample.

**Recommendation**

We recommend the Authority continue its corrective action regarding updating income calculation policies used to annualize income and monitor staff performance, including increased quality control reviews, to ensure compliance with HUD regulations.

**Management's Response**

Management agrees with the finding and corrective action is in progress as detailed in the Corrective Action Plan.

**2020-002 – Eligibility – Low Rent Public Housing – CFDA# 14.850**

**Significant Deficiency**

**Statement of Condition and Criteria**

Tenant files were incomplete and did not contain all documentation used to complete annual and initial tenant recertifications. PHA's are required to determine income eligibility and calculate the tenant's rent payment using sufficient, appropriate documentation in accordance with HUD regulations.

**Cause**

Insufficient oversight of third-party property management agents.

**HOUSING AUTHORITY OF THE CITY OF GREENVILLE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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**2020-002 – Eligibility – Low Rent Public Housing – CFDA# 14.850 (Cont'd)**

**Effect or Potential Effect**

Inability to substantiate rents charged to residents or otherwise effectively monitor program compliance.

**Recommendation**

We recommend the Authority increase quality control review of third-party management companies to ensure file compliance with program requirements.

**Management's Response**

Management agrees with the finding and corrective action is in progress as detailed in the Corrective Action Plan.